
FOURTH AMENDMENT

FRACTIONAL OFFERING PLAN

FIFTH AND FIFTY-FIFTH RESIDENCE CLUB

TWO EAST 55TH STREET

NEW YORK, NEW YORK 10022

Sponsor:

**St. Regis Residence Club, New York Inc.
c/o Starwood Vacation Ownership, Inc.
8801 Vistana Centre Drive
Orlando, Florida 32821
(407) 239-3000**

Selling Agent:

**SVO Residence Club Sales of New York, Inc.
c/o Starwood Vacation Ownership, Inc.
8801 Vistana Centre Drive
Orlando, Florida 32821
(407) 239-3000**

Dated: April 19, 2007

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FOURTH AMENDMENT
TO
FRACTIONAL OFFERING PLAN

INTRODUCTION

This Fourth Amendment modifies and supplements the terms of the Fractional Offering Plan for the Fifth and Fifty-Fifth Residence Club located at Two East 55th Street, New York, New York 10022 dated February 17, 2006 (“Offering Plan”), as amended, and should be read in conjunction with the Offering Plan, as previously amended.

The terms of this Fourth Amendment are as follows:

1. STATUS OF CLOSING OF CLUB INTERESTS

As of February 15, 2007, Sponsor closed title on the sale of approximately 97 Club Interests out of a total of 312 Club Interests, leaving approximately 215 Club Interests available for sale.

2. PURCHASE PRICE SCHEDULE

Annexed to this Amendment as Exhibit “A” is a revised “Schedule A – Purchase Prices and Related Information” which reflects the current prices for each of the Club Interests.

THE PURCHASE PRICES SET FORTH ON SCHEDULE A HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENT AGENCY.

3. CLUB BOARD

Set forth in paragraph 3 of the Third Amendment of the Offering Plan is a listing of the present officers and members of the initial four (4) member Club Board.

4. CONDOMINIUM BOARD

Set forth in paragraph 4 of the Third Amendment to the Offering Plan is a listing of the present officers and members of the seven (7) member Condominium Board.

5. 2007 CLUB BUDGET

Annexed to this Amendment as Exhibit "B" is the Operating Budget for the Club Association for the period commencing January 1, 2007 and ending December 31, 2007, which was adopted by the Club Board. Annexed to this Amendment as Exhibit "C" is a copy of a Certification of Budget Expert.

6. 2007 CONDOMINIUM BUDGET

Annexed to this Amendment as Exhibit "D" is the Operating Budget for the Condominium for the period commencing January 1, 2007 and ending December 31, 2007, which was adopted by the Condominium Board. Annexed to this Amendment as Exhibit "E" is a copy of a Certification of Condominium Budget Expert.

7. NEW CLUB UNITS

On or about March 21, 2007, Suite Sponsor conveyed to Club Sponsor, Suite Units 1035, 1036, 1135 and 1136 located on the 10th and 11th floors of the Building. Club Sponsor is reclassifying such Suite Units as Club Units and will include them in the Club. Set forth on Schedule A annexed to this Amendment as Exhibit "A" is information concerning the number of bedrooms, bathrooms, square footage and portion of the Building the Club Unit faces as well as other financial details for these new Club Units.

With the addition of these four (4) Club Units, the Club will contain twenty-six (26) Club Units on Floors 8, 9, 10 and 11, having an aggregate of three hundred thirty-eight (338) Club Interests consisting of four (4) studios, six (6) one-bedrooms and sixteen (16) two-bedroom duplex Club Units.

Annexed to this Amendment as Exhibit "F" are Floor Plans of the new Club Units.

8. AMENDMENTS TO THE CONDOMINIUM DECLARATION AND CLUB DECLARATION

Annexed to this Amendment as Exhibit "G" is a copy of a First Amendment to the Condominium Declaration which will be recorded in the Register's Office reflecting a decrease in the total number of Suite Units from twenty-four (24) Suite Units to twenty (20) Suite Units.

Annexed to this Amendment as Exhibit "H" is a copy of a First Amendment to the Club Declaration which will be recorded in the Register's Office reflecting an increase in the total number of Club Units from twenty-two (22) Club Units to twenty-six (26) Club Units.

An amendment to the Floor Plans of the Condominium will be filed with the Real Property Assessment Department of the City of New York and also recorded in the Register's Office reflecting these changes, if required.

9. FINANCING OFFERED BY SPONSOR

The subsection entitled "Fixed Interest Rate" of the Section of the Offering Plan entitled "Financing Offered by Sponsor" is hereby deleted in its entirety and replaced with the following new text:

“Fixed Interest Rate

The interest rates offered range from zero percent (0%) to the maximum rate per annum permitted under applicable law, depending on the amount of the Deposit, the number of monthly payments desired, and other relevant factors. Sponsor reserves the right to change the terms of financing offered to prospective purchasers and such changes shall not be deemed to be material changes to this offering. Purchasers may obtain lower interest rates upon payment of a one percent (1%) origination fee.”

10. DEFINITIONS

Any term used in this Amendment not otherwise defined herein shall have the same meaning ascribed to it in the Offering Plan.

11. NO MATERIAL CHANGES

Except as set forth in this Amendment, there have been no material changes of facts or circumstances affecting the Property or the offering.

12. INCORPORATION OF OFFERING PLAN

The Offering Plan, as modified and supplemented by this Amendment, is incorporated herein by reference with the same effect as if set forth at length.

13. EXTENSION OF OFFERING PLAN

The Offering Plan, as modified and supplemented by this Amendment, may not be used after six (6) months following the Filing Date of this Amendment unless the Offering Plan is extended or amended.

SPONSOR:

ST. REGIS RESIDENCE CLUB, NEW YORK INC.

EXHIBIT "A"

SCHEDULE A – PURCHASE PRICES AND RELATED INFORMATION

SCHEDULE A – PURCHASE PRICES AND RELATED INFORMATION

FIFTH AND FIFTY-FIFTH RESIDENCE CLUB

Two East 55th Street
New York, New York 10022

CLUB UNIT 1						PURCHASE PRICE 2	PROJECTED ANNUAL CLUB CHARGES 3			SPONSORS FINANCING 4	
Number	Bedrooms	Bathrooms	"Condominium Declaration" Square Feet	"Usable" Square Feet	Facing		Real Estate Taxes (a)	Other Club Expenses (b)	Total Club Charges (a)+(b)	Maximum Amount Financed	Constant Monthly Payment
808	Studio	One	523	445	Interior	\$387,000	\$905.49	\$10,305.82	\$11,211.31	\$348,300	\$3,100
908	Studio	One	523	445	Interior	\$387,000	\$905.49	\$10,305.82	\$11,211.31	\$348,300	\$3,100
809	Studio	One	474	415	5 th Avenue	\$367,000	\$905.49	\$10,305.82	\$11,211.31	\$330,300	\$2,940
909	Studio	One	474	415	5 th Avenue	\$367,000	\$905.49	\$10,305.82	\$11,211.31	\$330,300	\$2,940
807	One	One	738	625	5 th Avenue	\$450,000	\$1,737.11	\$13,791.53	\$15,528.64	\$405,000	\$3,605
907	One	One	738	625	5 th Avenue	\$450,000	\$1,737.11	\$13,791.53	\$15,528.64	\$405,000	\$3,605
801	One	One	1061	935	Interior & 5 th Avenue	\$605,000	\$1,737.11	\$13,791.53	\$15,528.64	\$544,500	\$4,847
901	One	Two	1061	935	Interior & 5 th Avenue	\$605,000	\$1,737.11	\$13,791.53	\$15,528.64	\$544,500	\$4,847
822	One	Two	1070	852	Interior	\$522,000	\$1,737.11	\$13,791.53	\$15,528.64	\$469,800	\$4,182
922	One	Two	1070	852	Interior	\$522,000	\$1,737.11	\$13,791.53	\$15,528.64	\$469,800	\$4,182
803	Two	Three	1546	1383	Interior & 5 th Avenue	\$800,000	\$2,630.19	\$17,534.83	\$20,165.02	\$720,000	\$6,409
903	Two	Three	1546	1383	Interior & 5 th Avenue	\$800,000	\$2,630.19	\$17,534.83	\$20,165.02	\$720,000	\$6,409
815	Two	Three	1507	1290	5 th Avenue	\$637,000	\$2,630.19	\$17,534.83	\$20,165.02	\$573,300	\$5,103
915	Two	Three	1507	1290	5 th Avenue	\$637,000	\$2,630.19	\$17,534.83	\$20,165.02	\$573,300	\$5,103
818	Two	Three	1593	1395	Interior	\$660,000	\$2,630.19	\$17,534.83	\$20,165.02	\$594,000	\$5,287
918	Two	Three	1593	1395	Interior	\$660,000	\$2,630.19	\$17,534.83	\$20,165.02	\$594,000	\$5,287
821	Two	Two	1129	957	5 th Avenue	\$570,000	\$2,630.19	\$17,534.83	\$20,165.02	\$513,000	\$4,566
921	Two	Two	1129	957	5 th Avenue	\$570,000	\$2,630.19	\$17,534.83	\$20,165.02	\$513,000	\$4,566
835	Two	Three	1458	1263	5 th Avenue	\$630,000	\$2,630.19	\$17,534.83	\$20,165.02	\$567,000	\$5,047
935	Two	Three	1458	1263	5 th Avenue	\$630,000	\$2,630.19	\$17,534.83	\$20,165.02	\$567,000	\$5,047
836	Two	Three	1455	1260	Interior	\$630,000	\$2,630.19	\$17,534.83	\$20,165.02	\$567,000	\$5,047
936	Two	Three	1455	1260	Interior	\$630,000	\$2,630.19	\$17,534.83	\$20,165.02	\$567,000	\$5,047
1035	Two	Three	1458	1262	5 th Avenue	\$630,000	\$2,630.19	\$17,534.83	\$20,165.02	\$567,000	\$5,047
1036	Two	Three	1455	1259	Interior	\$630,000	\$2,630.19	\$17,534.83	\$20,165.02	\$567,000	\$5,047
1135	Two	Three	1458	1262	5 th Avenue	\$630,000	\$2,630.19	\$17,534.83	\$20,165.02	\$567,000	\$5,047
1136	Two	Three	1438	1245	Interior	\$630,000	\$2,630.19	\$17,534.83	\$20,165.02	\$567,000	\$5,047
TOTALS						\$180,432,000	\$673,532	\$4,854,357	\$5,527,889		

See Notes to Schedule A

Notes to Schedule A

1. The Club Units on Floors 8, 9, 10 and 11 contain studios; one-bedrooms; and two-bedroom duplexes. The Club Interest in each Club Unit is equal to a fraction, the numerator of which is four (4) and the denominator of which is fifty-two (52).

Purchasers should refer to the Floor Plans set forth in Part II of the Offering plan for an approximation of the dimensions and layouts of the Club Units. The "Condominium Declaration" square footage represents the square foot area of the Club Unit measured horizontally on each floor from the interior side of the glazing or the exterior walls at the Building line and/or the Property line to the midpoint of the interior walls and partitions separating one Club Unit from another Unit, or the public side of the interior walls separating a Club Unit from public corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements. Column and mechanical pipes (whether along the perimeter or with the Club Unit) are not deducted from the square foot area of the Club Unit. The "useable" square foot area of a Club Unit represents that portion of the Club Unit to which the Club Owner has access (i.e., interior painted surfaced to interior painted surface, including kitchen counters, bathtubs, etc.). The square foot area and dimensions of the Club Units are approximate and may vary due to field conditions. No such variation will affect a Purchaser's obligations under the Purchase Agreement or the Offering Plan unless the square foot area of the Club Unit is diminished by more than five percent (5%) (excluding interior partitions), therefore affording Purchaser a fifteen (15) day right to rescind.

The number of rooms in each Club Unit have been computed by Sponsor in accordance with industry standard as follows:

<u>Type of Club Unit</u>	<u>Total Rooms</u>	<u>Type of Rooms</u>
Studio	2	1 bedroom, 1 bathroom
One bedroom	3 or 4	1 or 2 bedrooms, 1 bathroom, 1 living room
Two bedroom	5	2 bedrooms, 2 bathrooms, 1 living room
Two bedroom duplex	5 or 6	2 bedrooms, 2 or 3 bathrooms, 1 living room

2. THE PURCHASE PRICES AND OTHER TERMS OF SALE OF CLUB INTERESTS MAY BE NEGOTIATED BY SPONSOR AND, THEREFORE, MAY BE CHANGED. ACCORDINGLY, PURCHASERS MAY PAY DIFFERENT PURCHASE PRICES FOR SIMILAR CLUB INTERESTS. The effect of this, as well as the right of Sponsor to change purchase prices, is more particularly discussed in the Section of the Offering Plan entitled "Changes in Prices and Facilities." In addition to the payment of the purchase price, each Purchaser will be responsible for the payment of certain closing costs and expenses at the time of Closing, as explained in the Section of the Offering Plan entitled "Closing Costs". If Purchaser obtains a mortgage loan from Sponsor or other lender, Purchaser will be responsible for the payment of additional closing costs and expenses relating to such loan. There may be an apportionment of certain charges relating to the Club Interest at the time of the Closing of Title. THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENT AGENCY.

3. The estimated Club Charges contained in this column are for the period from January 1, 2007 to December 31, 2007 based on the "Schedule B – Club Budget" prepared by Sponsor in consultation with the Club Budget Expert. Club Charges include Real Estate Taxes assessed against the Club Units and other Club Expenses.

The estimated annual Club Charges in this column reflect the benefit to be obtained by Club Members during the period Sponsor's Club Charge Guaranty is in effect. During the period Sponsor's Club Charge Guaranty is in effect, Sponsor is not obligated to pay Club Charges allocable to Unsold Club Interests. See the Section of the Offering Plan entitled "Sponsor's Club Charge Guaranty" for more details. The Club Association reserves the right to bill Club Members for Club Charges more often than once a year.

See footnote (5) below for more details concerning Real Estate Taxes. While the legal responsibility for Real Estate Taxes lies with each Club Member, the Club Association will collect Real Estate Taxes from each Club Member (which are included in the Club Charges) and remit the same on behalf of each Club Member to the taxing authorities. In addition to these estimated Club Charges, each Owner will be responsible for mortgage payments under a loan, if any, obtained to finance the purchase of the Club Interest.

4. Sponsor is offering purchase money financing (fixed-rate) to qualified Purchasers for up to ninety percent (90%) of the purchase price, a term of either five (5) or twenty (20) years with varying fixed interest rates depending on the term, amount financed and origination fee paid. The figures in this column reflect an example of the approximate constantly monthly payment for a self-amortizing twenty (20) year loan for ninety percent (90%) of the purchase price and an interest rate of 8.85%. The terms of Purchaser's purchase money note, purchase money mortgage and Truth-In-Lending Statement will govern the specific terms of the Sponsor financing obtained by Purchaser.

See the Section of the Offering Plan entitled "Sponsor Financing" for more details.

5. The estimated annual Real Estate Taxes of \$673,532 for the 2007 calendar year for the Club Units are based upon estimates made by Jerome Haims Realty, Inc., Sponsor's real estate tax appraiser, that: (a) the approximate allocated assessed value of the Club Units during the second half of the 2006/2007 tax year is \$2,142,855 in the aggregate and during the first half of the 2007/2008 tax year will be \$2,271,427 in the aggregate for a total 2007 assessed value of \$4,415,000 (rounded); and (b) the effective tax rate in effect for the 2006/2007 tax year will average \$12.396 per \$100 of assessed valuation with respect to the Club Units.

Until the Units are separately assessed, each Unit Owner (i.e., the Club Association on behalf of all Club Members to the extent collected from Club Members) will pay to the Condominium a share of the Property's real estate taxes for the period in question calculated as follows: 81.48% to the Hotel Unit, (ii) 2.95% to the Retail Unit, (iii) 5.96% to the Suite Units (in the aggregate), and (iv) 9.61% to the Club Units (in the aggregate).

EXHIBIT "B"

SCHEDULE B – 2007 CLUB BUDGET

**FIFTH AND FIFTY-FIFTH RESIDENCE CLUB ASSOCIATION
2007 APPROVED BUDGET OF OPERATING EXPENSES & REPLACEMENT RESERVES
JANUARY 1, 2007 THROUGH DECEMBER 31, 2007**

Income

Maintenance Charges (1)	\$ (4,854,357)
Interest Income (2)	(73,273)
Total Income	<u>\$ (4,927,630)</u>

Expenses

Labor (3)	\$ 689,907
Utilities - Electricity & Steam	-
Water & Sewer	-
Cable TV	-
Operating Supplies (4)	249,118
Repairs, Maintenance & Supplies	-
Service Contracts	-
Laundry Service (5)	272,533
Administrative (6)	414,934
Health Club	-
Insurance (7)	3,000
Management Fee (8)	317,575
Legal & Audit (9)	7,682
Real Estate Taxes (10)	673,532
Condominium Fees (11)	2,043,974
Replacement Reserves (12)	255,375
Total Expenses	<u>\$ 4,927,630</u>

FOOTNOTES TO SCHEDULE B
Residence Club Operations Commencing January 2007

Amounts are projected on the assumption that the first year of association operation will be the year from January 1, 2007 to December 31, 2007. The actual first year of association operation may be earlier or later than that year. In the event the actual or anticipated commencement date of the first year of association operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections. If the amended budget exceeds this projected budget by 25% or more, Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period, if the Plan has been declared effective) the right to rescind their Purchase Agreements within not less than fifteen days after the presentation date of the amendment containing such revised budget, and any Purchasers electing rescission pursuant to such offer will have their down payments returned.

The General Common Charges payable by Fractional Unit Owners equal the sum of their allocated shares of the General Common Expenses, including their allocated shares of the expenses associated with both the General Common Elements and the Hotel Limited Common Elements. The General Common Charges payable by the Hotel Unit Owner equals its allocated share of the expenses of the General Common Elements. The Hotel Unit Owner pays directly the expenses associated with the Hotel Limited Common Elements, subject to partial reimbursement by the Condominium Board on behalf of the Suite Unit Owners and the Fractional Unit Owners for their allocated shares of such expenses. The General Common Charges payable by the Retail Unit Owner equals its allocated share of the expenses of the General Common Elements. The Retail Unit does not use or share in the expenses of any of the Hotel Limited Common Elements. Certain General Common Charges are currently allocated in common to the Hotel Unit and the Retail Unit, which Units are currently under common ownership.

Potential purchasers are advised that the amounts set forth in Schedule B and these footnotes are only projections.

After operation of the Residence Club Association has commenced, it is anticipated that the methods of allocation of the General Common Expenses will be periodically adjusted as provided in Section 6.1.2 of the By-Laws, but not more frequently than once each year, to reflect the differing proportions fairly attributable to the then amount of usage by such category of Unit Owner of the services and the General Common Elements and Hotel Limited Common Elements in question, but in any event in conformity with Section 339-m of the New York State Real Property Law. If any category of Unit Owners contends that any method of allocation determined by the Board is inequitable, the dispute may be submitted to arbitration as provided in the By-Laws.

General Common Expenses include costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the General Common Elements and Hotel Limited Common Elements, and with the provision of services to Unit Owners in general, such as service contracts applicable to the Building as a whole, employees who will provide services to the entire Condominium, fees of the managing agent for the Condominium, and insurance coverage for the General Common Elements and Hotel Limited Common Elements. The General Common Expenses are included in the Condominium Fees line item.

1. Maintenance charges billed to owners for operating expenses less other revenue: \$4,854,357. The maintenance charge for the Studio is \$10,305.82, One Bedroom \$13,791.53, and Two Bedroom Deluxe units is \$17,534.83 per fraction and there will be a total of 312 fractions.

2. Interest earned on various Association accounts: \$73,273

3. Labor: \$689,907

All payroll costs estimated in Schedule B, unless otherwise noted in these footnotes, assume prevailing salaries, wages and benefits for work of this nature, including applicable payroll taxes, as of the date of the Plan. No warranty is made as to which unions, if any, will represent the Building employees or the actual wages, salaries, benefits and related payroll taxes and similar expenses which will be applicable and in effect during the first year of condominium operation. However, the projected expenses for wages, salaries and benefits as well as the assumptions described herein, are believed to be reasonable and reflect the experience of the Sponsor's budget expert.

Payroll taxes and benefits for the first year of Residence Club Association operation are estimated to be 59% of the wage and salary amounts. The payroll taxes and benefits include FICA (projected at 9.25% of total wages), and allowances for union or other welfare and pension fund contributions, holidays and vacation pay.

4. Operating Supplies: \$249,118. Cost to supply rooms with soap, shampoo, linens and other miscellaneous items, plus housekeeping supplies.

5. Laundry Service: \$272,533. Cost of cleaning linen, towels and uniforms on a daily basis.

6. Administrative: \$414,934. Expenses include allocations from Starwood Vacation Ownership for resort oversight, association management, owner reservations, and facilities management, plus annual meeting charges, bad debt, bank & credit card fees, income tax, licenses permits, postage and telephone.

7. Insurance: \$3,000. This is for Directors and Officers liability coverage.

8. Management Fee: \$317,575. The management fee represents 7% of the total maintenance charges per the management agreement between Fifth and Fifty-Fifth Residence Club Association and St. Regis New York Management Inc.
9. Legal & Audit: \$7,682. Fees to be incurred in connection with the preparation of the audited financial statements for the Residence Club Association's first year of operation and its federal, state and city income tax returns, based on a quote received from Myers, Brettholtz & Company, P.A.
10. Real Estate Taxes: \$673,532. Real estate taxes are based on actual billings to the Hotel in 2005. The taxes include floors 8 and 9, plus a 3.4% estimated increase.
11. Condominium Fees: \$2,043,974. The General Common Expenses from the Condominium Association. Most of the services are provided for through the Condominium Association including salaries and wages for operating areas, insurance, repairs and maintenance, operating supplies, and utilities.
12. Replacement Reserves: \$255,375. Cost to cover the periodic replacement of the Club Units furnishings, fixtures and equipment based on each item's anticipated useful life.

EXHIBIT "C"

CERTIFICATION OF CLUB BUDGET EXPERT

PART 24: CERTIFICATION BY EXPERT AS TO ADEQUACY OF CLUB BUDGET

New York State Department of Law
Investment Protection Bureau
120 Broadway - 23rd Floor
New York, New York 10271

Re: Fractional Offering Plan
Fifth and Fifty-Fifth Residence Club
Two East 55th Street
New York, New York 10022

The sponsor of the fractional offering plan for the captioned fractional property retained me to prepare Schedule B containing projections of income and expenses for the first year of club operation. My experience in this field includes:

I am currently Senior Vice President, Associations and Legislative Affairs of St. Regis New York Management, Inc. ("St. Regis New York Management") in Orlando, Florida. In addition, I am an officer in other affiliated entities who, along with St. Regis New York Management, serve as the manager of timeshare and fractional resorts in various states. Today, St. Regis New York Management and its affiliates manage a combined total of over 2,800 units and 140,000 weeks.

In my role as an officer of St. Regis New York Management and its related affiliates I oversee the financial and administrative affairs of all timeshare or fractional associations created by Starwood Vacation Ownership, Inc., or its affiliates (including the Fifth and Fifty-Fifth Residence Club Association Inc.).

I also monitor and participate in national and state legislation and industry efforts on behalf of Starwood Vacation Ownership, Inc.

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Attorney General in Part 24 insofar as they are applicable to Schedule B.

I have prepared Schedule B and investigated the facts set forth in Schedule B and the facts underlying it with due diligence in order to form a basis for this certification.

I certify that the projections in Schedule B appear reasonable and adequate based on present prices (adjusted to reflect continued inflation and present levels of consumption for comparable units similarly situated).

I certify that Schedule B:

- (i) sets forth in detail the terms of the transaction as it relates to Schedule B and is complete, current and accurate;

- (ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment;
- (iii) does not omit any material fact;
- (iv) does not contain any untrue statement of a material fact;
- (v) does not contain any fraud, deception, concealment or suppression;
- (vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- (vii) does not contain any representation or statement which is false, where I:
 - (a) knew the truth;
 - (b) with reasonable effort could have known the truth;
 - (c) made no reasonable effort to ascertain the truth; or
 - (d) did not have knowledge concerning the representation or statement made.

I further certify that in my capacity as Senior Vice President, Associations and Legislative Affairs of St. Regis New York Management, Inc., I have an affiliation with Sponsor. I understand that a copy of this certification is intended to be incorporated into the offering plan so that prospective purchasers may rely on it.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. I understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

ST. REGIS NEW YORK MANAGEMENT, INC.,
a Florida corporation



Tracey Imbustari
My Commission DD224892
Expires June 22, 2007

By: 

Name: Thorp S. Thomas

Title: Senior Vice President,
Associations and Legislative Affairs

Sworn to before me this

2 day of January, 2007

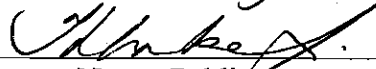

Notary Public

EXHIBIT "D"

SCHEDULE C – 2007 CONDOMINIUM BUDGET

SCHEDULE B

Fifth and Fifty-Fifth Condominium
Approved Budget of Operating Expenses
For the Period January 1, 2007 to December 31, 2007

Estimated Income

Common Charges - Suite Units	1,508,900
Common Charges - Club Units	2,341,949
Common Charges - Hotel Unit	16,592,189
Common Charges - Retail Unit	<u>108,628</u>
Total Estimated Income (Note 1)	20,551,666

Estimated Expenses

	Total	Suite Units	Club Units	Hotel Unit	Retail Unit
Payroll and related expenses (Note 2)	13,267,764	1,032,090	1,585,937	10,625,101	24,636
Electricity (Note 3)	2,024,457	124,247	200,455	1,699,755	-
Steam (Note 4)	955,985	56,939	91,863	778,956	28,227
Water Charges and Sewer Rent (Note 5)	330,155	19,664	31,726	269,017	9,748
Repairs, Supplies and Maintenance (Note 6)	1,248,071	89,812	140,057	1,015,033	3,169
Insurance (Note 7)	745,416	44,398	71,629	607,379	22,010
Management Fee (Note 8)	103,858	6,186	9,980	84,625	3,067
Legal and Audit Fees (Note 9)	22,499	1,340	2,162	18,333	664
Reserve for Contingencies (Note 10)	20,000	1,191	1,922	16,296	591
Miscellaneous Administrative Expenses (Note 11)	114,045	9,939	14,970	88,969	167
Service Contracts (Note 12)	1,001,342	67,248	104,769	816,721	12,604
Reimbursement to Hotel Unit for Fitness Center (Note 13)	9,570	3,828	5,742	-	-
Deficit Assessment (Note 14)	<u>708,504</u>	<u>52,018</u>	<u>80,737</u>	<u>572,004</u>	<u>3,745</u>
Total Estimated Expenses (Note 15)	<u>20,551,666</u>	<u>1,508,900</u>	<u>2,341,949</u>	<u>16,592,189</u>	<u>108,628</u>

The notes to Schedule B set forth below are an integral part of this Schedule and should be read in conjunction herewith.

NOTES TO SCHEDULE B

1. These amounts represent the total Common Charges to be levied against the Units and collected from the Unit Owners thereof for the operating year January 1, 2007 through December 31, 2007. The Common Charges will be utilized by the Condominium Board to defray the operational expenses of the Condominium. The method of allocation among the Units (or, in the case of the Suite Units and Club Units, categories of Units) of the various Common Expenses of the Condominium set forth in Schedule B are more particularly described in Notes 2 through 14 below. Except with respect to the Retail Unit which does not use or benefit from many of the Common Elements or services of the Condominium and therefore is allocated only its appropriate share of the expenses in connection therewith, the allocation of such Common Expenses is generally determined based upon either: (1) percentage of relative Common Interest; or (2) as appropriate, per "key" (i.e., allocated equally to each separately keyed hotel room or suite of rooms), but in any event, in conformity with Section 339-m of the New York State Real Property Law.

As described in these Notes, an allocation of expense to the Suite Units or Club Units refers to such expense being allocated to such category of Units as a whole. Among the Suite Units or Club Units themselves, the Common Expenses allocated to the Suite Units as a whole or the Club Units as a whole are ultimately allocated among the various Suite Units or Club Units, as the case may be, based on the relative percentage of Common Interests of such Suite Units or Club Units.

The methods of allocation of the Common Expenses may be periodically adjusted as provided in Section 6.1.2 of the By-Laws, but not more frequently than once each year, to reflect the differing proportions fairly attributable to the then amount of usage by such category of Unit Owner of the services and the General Common Elements and Hotel Limited Common Elements in question. If any category of Unit Owners contends that any method of allocation determined by the Board is inequitable, the dispute may be submitted to arbitration as provided in, and subject to the terms and conditions of, the By-Laws. The budgeted amounts presented are distributed among the various categories of Units based on a total of 20 Suite Units and 26 Club Units. If there are greater or fewer Suite Units or Club Units, the distribution of the budgeted amounts between the affected categories of Units would be adjusted accordingly. Since the per-key allocations include "lock-off" rooms and suites (i.e., where separate entrances to adjoining hallways allow separate lock-off and rental of a portion of a Suite Unit, Club Unit or Hotel Unit guest room or guest suite), the key counts reflected in the current Floor Plans are as follows: Hotel Unit: 243 keys; Suite Units: 28 keys; and Club Units: 42 keys.

The budget has been determined on the expectation that the operator of the Hotel will be the Managing Agent of the Condominium. Accordingly, many of the expenses will be incurred pursuant to contracts, labor, purchase programs, etc. arranged by the Hotel operator, which will then allocate to the Condominium the appropriate share of expenses pursuant to the allocation methods described in this Schedule B. Except as otherwise indicated, where a portion of an expense line item is said to be absorbed directly by the Hotel Unit, this refers to Hotel operator having incurred the expense for both the Hotel

and Condominium, and allocating such portion directly to the Hotel Unit in order to determine the balance remaining to be allocated among the various categories of Units (including the Hotel Unit, as applicable) as a Common Expense. Accordingly, the Common Expense totals for each category of Common Expense reflects only the Common Expense of the Condominium (i.e., after the Hotel operator's deduction of amounts directly absorbed by the Hotel Unit).

2. Payroll, Benefits and Related Expenses: \$13,267,764

This estimate assumes that the Hotel operator would provide certain services on behalf of the Condominium using employees of the Hotel, and includes the wages, workers compensation, disability insurance, welfare and pension costs, payroll taxes and the cost of sick days, personal days, holidays and vacation pay, and other fringe benefit costs for such employees. Related expenses include, without limitation, any costs associated with training, employment checks, employee recognition programs and payroll services. The projected level of staffing for the Building complies with all applicable housing and labor laws. It is anticipated that most of the employees will be members of the New York Hotel-Motel Trades Council, AFL-CIO Union. The existing contract with such union is scheduled to expire June 30, 2012. The wages described below are, to the extent applicable, computed in accordance with the Industry-Wide Collective Bargaining Agreement between the Hotel Association of New York City, Inc. and the New York Hotel-Motel trades Council, AFL-CIO. For non-union personnel the wages described below are based on estimates provided by the current Hotel operator.

Fringe benefit costs are estimated as follows: Rooms Dept. – 68%, Administrative Staff – 63%, Laundry Dept. – 61%, and Repairs and Maintenance Dept. – 62%. Fringe benefits include statutorily required payments such as FICA, medicare and workers compensation. Fringe benefits for the non-union Hotel executive staff includes 401K (100% company match on first 2% and 50% on next 2%, capped at 3% of salary or Federal limit, whichever is less); Long-Term Disability Plan; Basic Life Insurance Plan; Accidental Death and Dismemberment Insurance Plan; Basic Travel Accident Insurance Plan; Medical and Dental and Vision Plans; Employee Assistance Programs (e.g., counseling programs); an Employee Stock Purchase Plan (currently at 5% discount); Severance Plan (amount varies with employee grade and employment classification); tuition reimbursement (capped at \$1,500 per semester); adoption assistance (capped at \$5,000 per adoption), vacation days (accruing as set forth below), and holiday/sick days (accrues at same rate as vacation days). Fringe benefits for the union employees include Medical and Dental at 18.5% of wages for up to 9 months of employment and 20.5% otherwise; Scholarship Fund at \$1 per employee per month; pension at 9% of wages; Legal Assistance Plan at 0.5% of wages; Training Fund at \$1.50 per employee per month; seven sick days; 3 personal days; 9 paid holidays; and vacation days as set forth below.

Non-Union Vacation Day Accrual*(Same formula applies for accruing holiday/sick days)*

<u>Service Length</u>	<u>Accrues</u>	<u>Cap</u>
Up to 1 year of service	0.0961 hours per hour worked	120 hours
More than 1 year to up to 4 years	0.0961 hours per hour worked	150 hours
More than 4 years to up to 9 years	0.1153 hours per hour worked	180 hours
More than 9 years of service	0.1346 hours per hour worked	210 hours

Union Vacation Day Accrual

<u>Service Length</u>	<u>Vacation Time</u>
Up to 1 year of service	1 week
More than 1 year to up to 4 years	2 weeks
More than 4 years up to 6 years	12 days
More than 6 years up to 14 years	3 weeks
Over 14 years of service	4 weeks

The Condominium's payroll service expenses are estimated at \$42,000; employee recognition expenses are estimated at \$39,200; and employee training costs are estimated at \$50,400.

As with any building providing hotel-type services, staffing levels are higher than for a customary residential condominium building, reflecting the additional level and availability of services. Staffing levels will also vary from time to time based on variations in occupancy levels and seasonality, and may involve use of part-time and/or overtime labor services as well as contract labor.

The wage and salary estimates (which may include part-time and/or overtime projections in the weekly averages) are detailed as follows. Except as otherwise indicated to the contrary, the Payroll, Benefits and Related Expenses are allocated among the Hotel Unit, the Suite Units and the Club Units on a per-key basis. Forty-four percent (44%) of expense incurred by the Hotel operator for the Hotel and Condominium with respect to employee training, employee recognition and payroll service is absorbed directly by the Hotel Unit based on estimates provided by the existing Hotel operator relative to human resource matters solely benefiting the Hotel, and the balance is allocated among the Hotel Unit, the Suites Units, the Club Units and, only where applicable, the Retail Unit based on percentage of relative Common Interest; provided, that for the purposes of such allocation only, the Retail Unit's Common Interest shall be deemed to be reduced by 80% to reflect the lesser level of services provided with respect to the Retail Unit.

<u>POSITION</u>	<u>No. of Full-time Equivalent Positions</u>	<u>WEEKLY WAGE</u> (prior to any reduction as stipulated in Footnotes)
<u>Rooms Department</u>		
Managers	14.94	\$1,130 per week for a total yearly wage of \$58,770 per person.
Bellman	10.82	\$733 per week for a total yearly wage of \$38,119 per person.
Concierge	8.11	\$904 per week for a total yearly wage of \$47,006 per person.
Doorman ^(a)	5.21	\$721 per week for a total yearly wage of \$37,506 per person.
Page	10.8	\$872 per week for a total yearly wage of \$45,349 per person.
Housekeeping Supervisor ^(b)	2.15	\$985 per week for a total yearly wage of \$51,238 per person.
Houseperson ^(b)	14.46	\$886 per week for a total yearly wage of \$46,078 per person.
Public Area Attendant ^(b)	1.02	\$921 per week for a total yearly wage of \$47,904 per person.
Front Office	9.39	\$858 per week for a total yearly wage of \$44,629 per person.
Butler	37.02	\$821 per week for a total yearly wage of \$42,705 per person.
Trainee ^(g)	2.48	\$1,244 per week for a total yearly wage of \$64,688 per person.
<u>Administrative & General</u>		
Managers ^(c)	9.42	\$1,919 per week for a total yearly wage of \$99,805 per person.
Accounting Office ^(d)	6.31	\$1,027 per week for a total yearly wage of \$53,393 per person.
Human Resources ^(c)	2.80	\$917 per week for a total yearly wage of \$47,682 per person.
Administration ^(d)	1.10	\$1,004 per week for a total yearly wage of \$52,200 per person.
MIS ^(d)	1.75	\$1,639 per week for a total yearly wage of \$85,241 per person.
Security ^(d)	10.49	\$984 per week for a total yearly wage of \$51,157 per person.
Trainee	.09	\$1,641 per week for a total yearly wage of \$85,333 per person.
<u>Laundry</u>		
Laundry Persons ^(e)	12.99	\$960 per week for a total yearly wage of \$49,924 per person.
<u>Repairs & Maintenance</u>		
Managers ^(f)	2.88	\$1,794 per week for a total yearly wage of \$93,303 per person.
Administration ^(f)	0.84	\$984 per week for a total yearly wage of \$51,182 per person.
Maintenance Engineers ^(f)	12.58	\$1,006 per week for a total yearly wage of \$52,335 per person.
Operating Salary ^(f)	4.19	\$1,138 per week for a total yearly wage of \$59,150 per person.
Trainee ^(f)	.2	\$978 per week for a total yearly wage of \$50,865 per person.

Footnotes to Wages Table

- (a) 17.60% of expense incurred by the Hotel operator for the Hotel and Condominium is absorbed directly by the Hotel Unit based on the relative square footage of food and beverage areas to the aggregate square footage of the Hotel Unit, the Suite Units and the Club Units. The balance is allocated among the Hotel Unit, the Suite Units and the Club Units on a per-key basis.
- (b) Allocated based on percentage of relative Common Interest of the Hotel Unit, Suite Units and Club Units.
- (c) 44% of expense incurred by the Hotel operator for the Hotel and Condominium is absorbed directly by the Hotel Unit based on estimates provided by the Hotel operator relative to human resource matters solely benefiting the Hotel. The balance is allocated among the Hotel Unit, the Suite Units and the Club Units based on percentage of relative Common Interest; provided, that for the purposes of such allocation only, the Retail Unit's Common Interest shall be deemed to be reduced by 80% to reflect the lesser level of services provided with respect to the Retail Unit.
- (d) 33% of expense incurred by the Hotel operator for the Hotel and Condominium is absorbed directly by the Hotel Unit based on estimates provided by the Hotel operator relative to administrative and general matters solely benefiting the Hotel. In addition, based on estimates provided by the Hotel operator, the Hotel Unit directly absorbs an additional 40% of the expense incurred by the Hotel operator for the Hotel and Condominium with respect to the Accounting Office only. The balance is allocated among the Hotel Unit, the Suites Units, the Club Units and the Retail based on percentage of relative Common Interest; provided, that for the purposes of such allocation only, the Retail Unit's Common Interest shall be deemed to be reduced by 80% to reflect the lesser level of services provided with respect to the Retail Unit.
- (e) 63.4% of expense incurred by the Hotel operator for the Hotel and Condominium is absorbed directly by the Hotel Unit based on estimates provided by the Hotel operator relative to laundry matters solely benefiting the Hotel. The balance is allocated among the Hotel Unit, the Suite Units and the Club Units on a per-key basis.
- (f) This expense is allocated among the Hotel Unit, the Suite Units, the Club Units and the Retail Unit based on percentage of relative Common Interest; provided, that for the purposes of such allocation only, the Retail Unit's Common Interest shall be deemed to be reduced by 80% to reflect the lesser level of services provided with respect to the Retail Unit.
- (g) 35.6% of expense incurred by the Hotel operator for the Hotel and Condominium is absorbed directly by the Hotel Unit for trainee services solely benefiting the Hotel. The balance is allocated among the Hotel Unit, the Suite Units, and the Club Units on a per-key basis.

3. Electricity: \$2,024,457

Electricity is provided by Con Edison. This estimate is based upon review of the actual electrical consumption in the Building during the last five (5) years, exclusive of electrical consumption of the Retail Unit, which is separately metered, with greatest weight placed on the 2006 consumption figure. Actual consumption is as follows: 2002 - 10,272,000 kw/hr, 2003 - 9,979,200 kw/hr, 2004 - 10,200,800 kw/hr, 2005 - 10,444,800 kw/hr, 2006 - (Estimate) 10,020,000 kw/hr. Based on the foregoing and projections for 2007 rates, it is estimated that electric consumption for the Building, exclusive of the Retail Unit, will be approximately 10,122,285 kw/hr at an annual cost of \$.20 kw/hr. Other than the Retail Unit, the Units are not separately metered. Accordingly, the electricity expense charges for the entire Building, other than the Retail Unit, are allocated among the Hotel Unit, the Suite Units and the Club Units based on the percentage of relative Common Interest.

In view of the varying costs of energy, it is not possible to predict with certainty whether the estimated figures will reflect the actual cost to be incurred although it is believed that

reasonable provisions for increased costs have been made. The actual cost for electricity will vary depending upon various factors, including the amount of consumption, the severity of the weather, conservation measures, if any, adopted by the Condominium Board or individual Unit Owners or occupants, the rates of the utility company (which fluctuate periodically) and the possibility of changes in the methods of calculating charges by the utility company.

4. Steam: \$955,985

Steam service is provided by Con Edison, by single meter. The steam is used for heating of the building, including the provision of heat for hot water service. This estimate is based upon the approximate average of the consumption during the last twelve (12) months (Dec 2005 through Nov 2006 = 34,359/Mlbs). Based on the foregoing and projections for 2007 rates, it is estimated that steam consumption for the Building will be 36,755 Mlbs, at an anticipated cost of \$26.01/Mlbs. Steam expenses are allocated among all Units based on percentage of relative Common Interest.

In view of the varying costs of energy, it is not possible to predict with certainty whether the estimated figures will reflect the actual cost to be incurred, although it is believed that reasonable provisions for increased costs have been made. The actual cost for steam will vary depending upon various factors, including the amount of consumption, the severity of the weather, conservation measures, if any, adopted by the Condominium Board or individual Unit Owners or occupants, the rates of the utility company (which fluctuate periodically) and the possibility of changes in the methods of calculating charges by the utility company.

5. Water Charges and Sewer Rent: \$330,155

Water and sewer services are provided by the City of New York. This estimate is based upon review of the actual water consumption during the last five (5) years (2002-660,317 cubic feet, 2003-635,288 cubic feet, 2004-532,852 cubic feet, 2005-590,465 cubic feet, 2006-Estimated 640,993 cubic feet), with greatest weight placed on the 2006 consumption figure. Based on the foregoing and projections for 2007 rates, it is estimated that water consumption for the Building will be 647,363 cubic feet at an anticipated cost (water charges and sewer rents together) of \$.51 per cubic foot. Water Charges and Sewer Rent expenses are allocated among all Units based on percentage of relative Common Interest.

6. Repairs, Supplies and Maintenance: \$1,248,071

This estimate includes painting, maintenance and repair costs of the Common Elements. Unit Owners are directly responsible for the cost of repairs, supplies and maintenance in the interiors of their Units. The Condominium Board may also determine to arrange from time to time for certain excess repair, supplies and maintenance services to be provided within the Units as a Condominium service, and assess the cost thereof as a Common Charge to the benefited categories of Unit Owners. This estimate for the 2007 operating year contains an estimate for the provision of excess services such as minor repair (but

not replacement) of building standard carpet, curtain and drapes; replacement of building standard light bulbs; repair and replacement of building standard faucets and shower heads; minor repair (but not replacement) of building standard furnishings; restocking of building standard china, glassware and silverware; repair and replacement of building standard guest phones; and certain other such maintenance services provided on equal availability to the Hotel Unit, the Suite Units and the Club Units (subject to the right to assess a particular Unit Owner, in appropriate circumstances, an additional charge to reflect any abuse of such service). The Condominium Board may determine to discontinue any such excess services at any time, in which event the cost of the discontinued service will thereafter cease to be a Common Expense. The Retail Unit shares only in categories of Repairs, Supplies and Maintenance expenses that benefit the Retail Unit.

Certain Repairs, Supplies and Maintenance Expenses incurred by the Hotel operator on behalf of the Hotel and the Condominium are absorbed directly by the Hotel Unit, as follows, with all allocation percentages based on estimates provided by the Hotel Operator: 80% of floor covering expenses reflecting replacement, rather than minor repair of Hotel floor coverings; 79% of laundry equipment expenses; 20% of computer system maintenance support reflecting allocation to the hotel's reservations department; 74.71% of cleaning supplies associated with the Hotel's rooms department; 59.88% of decorations expenses associated with the Hotel's rooms department; and 63.4% of laundry supplies, printing and stationary, uniform expenses, and other miscellaneous expenses associated with the Hotel's laundry department.

Except as otherwise indicated, the Repairs, Supplies and Maintenance Expenses are allocated among the Hotel Unit, the Suite Units, the Club Units and, only where applicable, the Retail Unit, on the basis of percentage of relative Common Interest. For the purposes of such allocation only, the Retail Unit's Common Interest shall be deemed to be reduced by 80% to reflect the lesser level of services provided with respect to the Retail Unit, except in cases where the Retail Unit is appropriately charged based on its full Common Interest (such as, by way of example and not limitation, with respect to any maintenance and/or repair of the Building's structure, foundations, facade, roof, heating system, adjoining sidewalks, etc.).

Subject to any costs directly absorbed by the Hotel Unit as described above, the following Repairs, Supplies and Maintenance Expenses are allocated among the Hotel Unit, the Suite Units and the Club Units on a per-key basis: china, glassware and silverware supplies; uniforms relating to the Hotel's rooms, security and laundry departments; operating and cleaning supplies attributable to the Hotel's rooms department; operating supplies attributable to accounting and general administration; and laundry supplies, printing and stationary expenses, and other miscellaneous expenses associated with the Hotel's laundry department.

In application of the foregoing, the Condominium's share of expenses for Repairs, Supplies and Maintenance are summarized as follows:

china	23,682
cleaning supplies	25,778
glassware	8,094
operating supplies	247,804
silverware	8,080
uniforms	188,373
laundry supplies	1,169
miscellaneous	3,833
alarm maintenance supplies	6,242
building maintenance supplies	216,000
computer system maintenance	171,338
curtains and drapes	3,900
electrical/mechanical equipment	36,000
electric bulbs	13,200
engineering supplies	2,400
floor coverings	4,238
furniture and equipment	12,840
grounds and planters	67,000
HVAC supplies	69,000
keys and locks	19,200
laundry equipment	9,450
painting and decorations	7,800
plumbing	14,400
signage	13,250
telephone maintenance	66,000
television system	7,200
tools	1,800

7. Insurance: \$745,416

The budget for the 2007 operating year is based on insurance coverage being provided by continued participation in Starwood's blanket insurance program available to hotels owned and managed by Starwood. Premium allocations among the various properties participating in the program are made in accordance with the standard rating practices applicable to the program. Such coverage would be provided by the Hotel Unit Owner or its designee on behalf of the Hotel and the Condominium.

Except as otherwise indicated, insurance premiums are allocated among all of the Units/or categories of Units on the basis of percentage of relative Common Interest.

A.	Coverage & Perils	Limits of Liability
	Real and Personal Property	\$1 billion, per occurrence
	“All Risk” coverage (including water damage insurance and boiler/machinery)	
	Replacement Cost Basis	Yes
	Co-Insurance	None
	Flood (Occurrence/Annual Aggregate)	\$500 million
	Earthquake (Occurrence/Annual Aggregate)	\$250 million
	Deductible (except for FL & CA)	\$25,000
	Premium^(a)	\$535,020
B.	Terrorism	\$550 million per occurrence/annual aggregate, all locations
	Deductible	\$1,000,000
	Premium^(b)	\$335,709
C.	Employee Dishonesty/Crime (Fidelity)	\$25 million each loss
	Deductible	\$100,000
	Premium^(c)	\$63,498
D.	Employment Practices Liability	\$2 million each event
	Deductible	\$2,500 loss/event
	Premium^(c)	Included in Item C above.
E.	Director’s and Officers Liability	\$3 Million
	Premium^(d)	\$5,022
F.	Commercial General Liability (including elevator collision)	\$2 million per occurrence/ (\$4 million annual aggregate)
	Premium^(c)	\$226,509
G.	Umbrella Liability [Note: detail components - each occurrence water damage liability auto liability employee benefits fire damage]	\$25 million per occurrence/annual aggregate
	Premium^(c)	\$65,300

Notes:

- (a) The Hotel Unit directly absorbs the entire portion of the premium relating to FF&E, fine arts and business interruption (estimated at \$131,109), and the balance of the premium relative to the real property (estimated at \$403,911) is allocated among all the Units on the basis of percentage of relative Common Interest.
- (b) The Hotel Unit directly absorbs the entire portion of the premium relating to FF&E, fine art and business interruption, and the balance of the premium relative to the real property is allocated among all the Units on the basis of percentage of relative Common Interest. The result is a direct absorption of \$82,266 of the premium by the Hotel Unit, and the balance of \$253,443 being allocated among all Units on the basis of percentage of relative Common Interest.

- (c) The Hotel Unit directly absorbs the entire portion of the premium relative to the Hotel's Gross Operating Revenue (estimated at \$272,267). The balance (estimated at \$83,040) relative to the Condominium's Gross Operating Revenue is allocated among all of the Units on the basis of percentage of relative Common Interest.
- (d) The entire premium is allocated among all of the Units on the basis of percentage of relative Common Interest.

This coverage does not include claims for personal injury or property damage resulting from occurrences in the individual Suite Units or Club Units, nor does it include coverage of the furniture or other personal property within the Suite Units or Club Units, except to the extent liability coverage relates to the operation of the Hotel and/or provision of Hotel or Condominium services to or with respect to such Units.

This expense reflects insurance premiums at current rates. Because conditions in the insurance marketplace are so volatile, it is not possible to predict what the premiums will actually be for the entire 2007 operating year. Purchasers should be aware of the possibility of significant rate increases.

8. Management Fee: \$103,858

This expense provides for Property Management Services as further explained in Section 5 of the Management Agreement. This expense has been allocated among the Hotel Unit, Suite Units, Club Units and the Retail Unit on the basis of percentage of relative Common Interest.

9. Legal and Audit Fees: \$22,499

The amount budgeted for audit fees to be incurred in connection with the preparation of the audited financial statements for the Condominium and its Federal, state and city income tax returns and other financial reports, is \$7,500. The balance of the budgeted amount (\$14,999) has been estimated to provide for legal services to be rendered in connection with the operation of the Condominium and negotiation of agreements. This expense has been allocated among the Hotel Unit, the Suite Units, the Club Units and the Retail Unit on the basis of percentage of relative Common Interest.

10. Reserve for Contingencies: \$20,000

This amount is to be used at the discretion of the Board and is intended to cover possible increases in expenses not now foreseen and for expenses not included in the budget, and for possible increases in one or more items of operating expenses above the amounts projected. This expense has been allocated among the Hotel Unit, the Suite Units, the Club Units and the Retail Unit on the basis of percentage of relative Common Interest.

11. Miscellaneous Administrative Expenses: \$114,045

These expenses concern miscellaneous administrative expenses, including, without limitation, dues and subscriptions; administrative supplies; water fountain supplies; phone service charges; and printing, postage and stationary. Fifty percent (50%) of the

postage and dues expenses incurred by the Hotel operator for the Hotel and Condominium under this expense category are absorbed directly by the Hotel Unit based on estimates provided by the Hotel operator relative to miscellaneous matters solely benefiting the Hotel. Telecommunication costs associated with the Building's maintenance department are allocated among the Hotel Unit, the Suites Units, the Club Units and the Retail Unit based on percentage of relative Common Interest; provided, that for the purposes of such allocation only, the Retail Unit's Common Interest shall be deemed to be reduced by 80% to reflect the lesser level of services provided with respect to the Retail Unit.

Except as otherwise indicated to the contrary, expenses are allocated to the Hotel Unit, the Suite Units and the Club Units on a per-key basis.

12. Service Contracts \$1,001,342

Service Contracts include expenses such as cable TV, fire alarm testing and inspection, glass cleaning services for chandeliers and crystal, window cleaning services, HVAC maintenance, elevator maintenance, pest control, waste removal, metal cleaning, and flowers.

Service Contracts – Additional Information

- (a) Cable TV is allocated among the Hotel Unit, the Suite Units and the Club Units on a per-key basis.
- (b) \$40,972 of maintenance contract services is absorbed directly by the Hotel Unit with respect to excess service for the Hotel's food and beverage areas. \$61,628 of maintenance contract services is allocated among all Units based on the percentage of relative Common Interest; provided, that for the purposes of such allocation only, the Retail Unit's Common Interest shall be deemed to be reduced by 80% to reflect the lesser level of service provided with respect to the Retail Unit. An additional \$295,400 in contract services is allocated among the Hotel Unit, Suite Units, and Club Units based on the percentage of relative Common Interest.
- (c) \$308,606 of flower services is absorbed by the Hotel Unit with respect to guest units and the Hotel's food and beverage areas. The remaining \$206,782 is allocated based on the percentage of relative Common Interest of the Hotel Unit, Suite Units, and Club Units.
- (d) Elevator maintenance expenses relative to the Building's thirteen shared-use elevators are allocated based on estimated usage as follows: 10/13th of the total expense (reflecting shared use of ten elevators by the Hotel Unit, the Suite Units and the Club Units) is allocated among the Hotel Unit, the Suite Units and the Club Units on a per-key basis; 2/13th of the total expense (reflecting the Hotel Unit's exclusive use of one elevator and primary use of a second elevator) is allocated solely to the Hotel Unit; and 1/13th of the total expense (reflecting the Hotel Unit's and Retail Unit's shared use of one elevator) is allocated equally to the Hotel Unit and the Retail Unit.

13. Reimbursement to Hotel Owner Related to the Hotel Unit's Fitness Center:
\$9,570.

This expense reflects that the Suite Units and Club Units are allocated a share of expenses associated with the operation, maintenance, repair, upgrade and replacement of the Hotel Unit's fitness center. No replacement of equipment is provided for in the 2007 operating budget. Fitness Center expenses reflect the following: decorations (\$4,080), linen (\$4,080), operating supplies (\$64,212), telecommunications (\$1,020), uniforms

(\$3,060) and miscellaneous (\$3,060). At present there is no labor cost associated with the fitness center, as reception service is currently provided by an affiliate of the Hotel Unit Owner which is operating the spa and fitness center, and no portion of the reception salaries for the spa and fitness center is currently allocated to the fitness center.

The Hotel Unit absorbs 87.96% of the cost directly and assesses the Condominium for only the Suite Units and Club Units share of the expense.

14. Deficit Assessment: \$708,504

This represents the 2006 projected operating deficit of the Condominium. This expense is allocated among the Hotel Unit, Suite Units, Club Units, and Retail Unit in the same proportion as the General Common Charges.

15. Total estimated expenses: \$20,551,666

In the opinion of SVO Residential Management, Inc., Sponsor's Budget expert, the projected income for the Condominium is adequate to meet the estimated expenses for the 2007 operating year. The budget, however, is not intended, and should not be taken, as a guarantee by anyone that the annual Common Charges of operation of the Condominium will be as set forth in the budget. In fact, it is likely that the actual income and expenses for the 2007 operating year will vary from the amounts shown in the budget.

EXHIBIT "E"

CERTIFICATION OF CONDOMINIUM BUDGET EXPERT

CERTIFICATION OF SPONSOR'S EXPERT AS TO ADEQUACY OF CONDOMINIUM BUDGET

New York State Department of Law
Investment Protection Bureau
120 Broadway - 23rd Floor
New York, New York 10271

Re: Condominium Offering Plan
Fifth and Fifty-Fifth Condominium
Two East 55th Street
New York, New York 10022

The sponsor of the condominium offering plan for the captioned property retained me to prepare Schedule B containing projections of income and expenses for the first year of condominium operation. My experience in this field includes:

I am currently Senior Vice President, Associations and Legislative Affairs of St. Regis New York Management, Inc. ("St. Regis New York Management") in Orlando, Florida. In addition, I am an officer in other affiliated entities who, along with St. Regis New York Management, serve as the manager of timeshare and fractional resorts in various states. Today, St. Regis New York Management and its affiliates manage a combined total of over 2,800 units and 140,000 weeks.

In my role as an officer of St. Regis New York Management and its related affiliates I oversee the financial and administrative affairs of all timeshare or fractional associations created by Starwood Vacation Ownership, Inc., or its affiliates (including the Fifth and Fifty-Fifth Condominium Association Inc.).

I also monitor and participate in national and state legislation and industry efforts on behalf of Starwood Vacation Ownership, Inc.

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Attorney General in Part 24 insofar as they are applicable to Schedule B.

I have prepared Schedule B and investigated the facts set forth in Schedule B and the facts underlying it with due diligence in order to form a basis for this certification.

I certify that the projections in Schedule B appear reasonable and adequate based on present prices (adjusted to reflect continued inflation and present levels of consumption for comparable units similarly situated).

I certify that Schedule B:

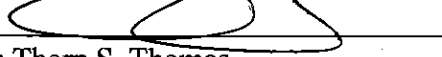
- (i) sets forth in detail the terms of the transaction as it relates to Schedule B and is complete, current and accurate;


- (ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment;
- (iii) does not omit any material fact;
- (iv) does not contain any untrue statement of a material fact;
- (v) does not contain any fraud, deception, concealment or suppression;
- (vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- (vii) does not contain any representation or statement which is false, where I:
 - (a) knew the truth;
 - (b) with reasonable effort could have known the truth;
 - (c) made no reasonable effort to ascertain the truth; or
 - (d) did not have knowledge concerning the representation or statement made.

I further certify that in my capacity as Senior Vice President, Associations and Legislative Affairs of St. Regis New York Management, Inc., I have an affiliation with Sponsor. I understand that a copy of this certification is intended to be incorporated into the offering plan so that prospective purchasers may rely on it.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. I understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

ST. REGIS NEW YORK MANAGEMENT, INC.,
a Florida corporation

By: 
Name: Thorp S. Thomas
Title: Senior Vice President,
Associations and Legislative Affairs

 Tracey Imbestari
My Commission DD224892
Expires June 22, 2007


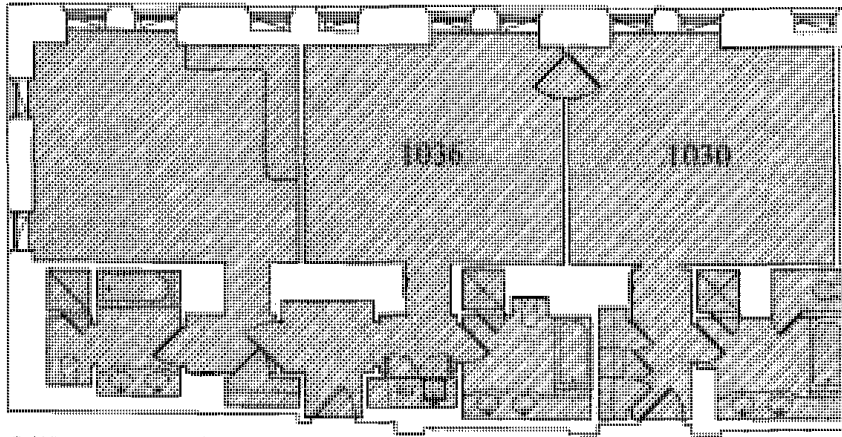
Sworn to before me this
2 day of January, 2007

Notary Public

EXHIBIT "F"

FLOOR PLANS OF THE NEW CLUB UNITS

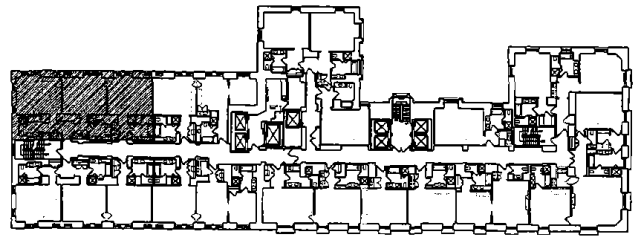


FLOOR PLAN UNIT 1036/1030

SCALE 1/8" = 1'-0"

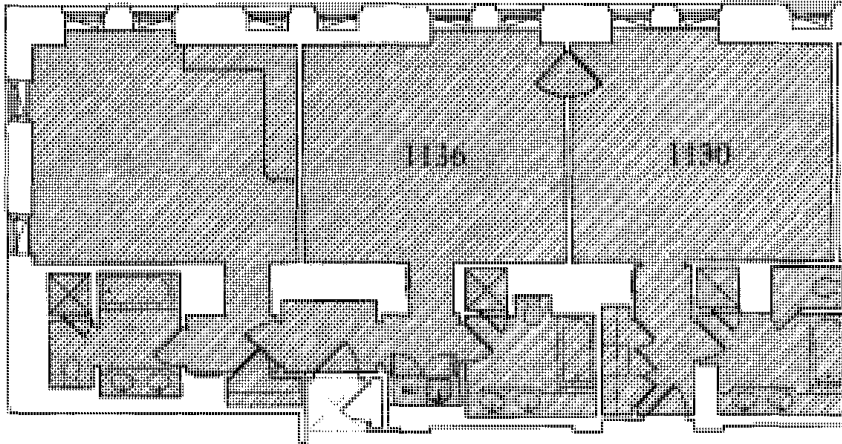
0 1 2 4 8 16 FT.

NOTE:
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL
CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE
EXCEEDS USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT
TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.



KEY FLOOR PLAN

FIFTH AND FIFTY-FIFTH RESIDENCE CLUB

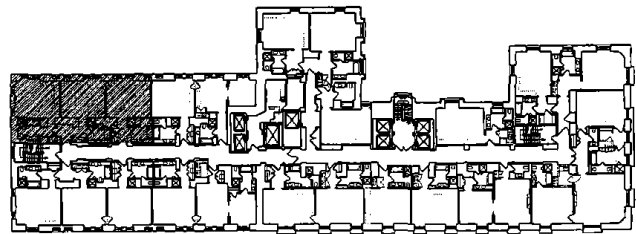


FLOOR PLAN UNIT 1136/1130

SCALE 1/8" = 1'-0"

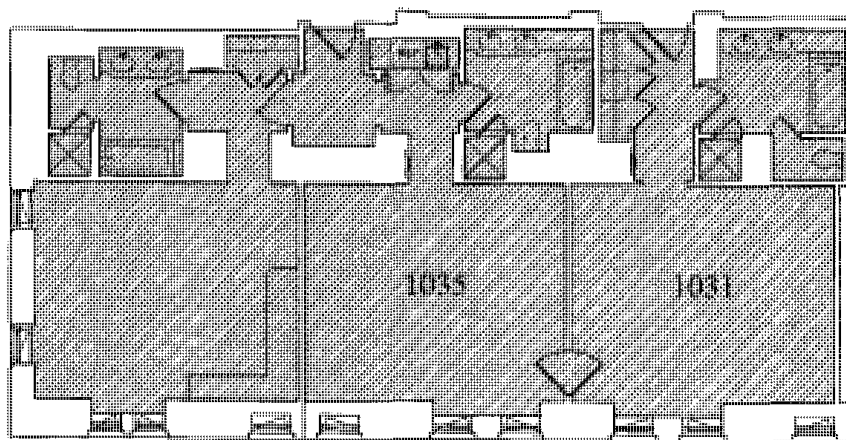
0 2 4 8 16 FT.

NOTE:
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL
CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE
EXCEEDS USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT
TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.



KEY FLOOR PLAN
SCALE 1/8" = 1'-0"

FIFTH AND FIFTY-FIFTH RESIDENCE CLUB



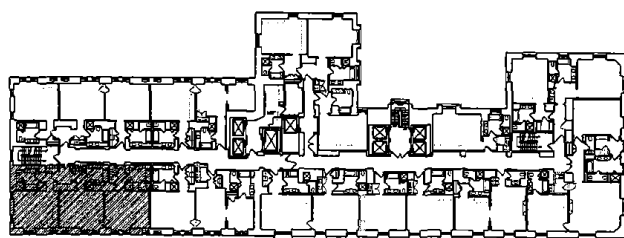
FLOOR PLAN UNIT 1035/1031

SCALE 1/8" = 1'-0"

0 12 4 8 16 FT.

NOTE:

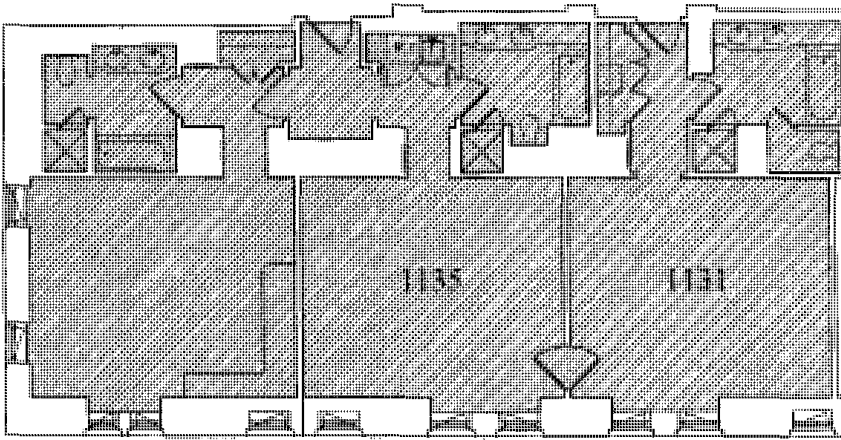
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL
CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE
EXCEEDS USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT
TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.



KEY FLOOR PLAN

SCALE 1/8" = 1'-0"

FIFTH AND FIFTY-FIFTH RESIDENCE CLUB

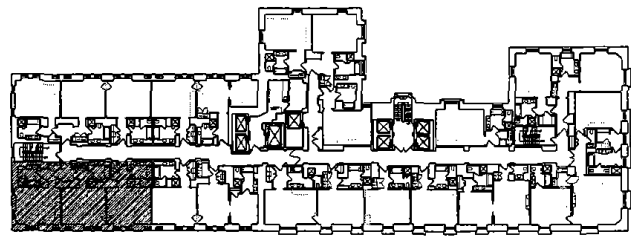


FLOOR PLAN UNIT 1135/1131

SCALE 1/8" = 1'-0"

0 1 2 4 8 16 FT.

NOTE:
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL
CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE
EXCEEDS USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT
TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.



KEY FLOOR PLAN
SCALE 1/8" = 1'-0"

FIFTH AND FIFTY-FIFTH RESIDENCE CLUB

EXHIBIT "G"

FIRST AMENDMENT TO THE CONDOMINIUM DECLARATION

FIRST AMENDMENT

TO

DECLARATION

Establishing a Plan for Condominium Ownership

of the Premises known as

and

having a street address

**Two East 55th Street
New York, New York 10022**

**Pursuant to Article 9-B of the Real Property
Law of the State of New York**

Name:

FIFTH AND FIFTY-FIFTH CONDOMINIUM

Dated as of: _____, 2007

**The land affected by the within instrument lies in Block 1290,
Lots 1201 through 1248
on the Tax Map of the Borough of Manhattan, County of New York, City of New York**

Record and Return by Mail To:

**Allan Starr, Esq.
Starr Associates LLP
Attorneys At Law
245 Fifth Avenue
Suite 1102
New York, New York 10016
(212) 620-2686**

FIRST AMENDMENT TO DECLARATION

OF

FIFTH AND FIFTY-FIFTH CONDOMINIUM

**(Pursuant to Article 9-B of the Real Property Law
of the State of New York)**

St. Regis Residence Club, New York Inc. ("Club Sponsor"), a corporation organized under the laws of the State of Florida, having an office c/o Starwood Vacation Ownership, Inc., 8801 Vistana Center Drive, Orlando, Florida 32821, Fifth Avenue Hotel Suites LLC ("Suite Sponsor"), a limited liability company organized and existing under the laws of the State of Delaware, having an office at 111 Westchester Avenue, White Plains, New York 10604, St. Regis New York Operating LLC ("Commercial Unit Owner"), a limited liability company organized and existing under the laws of the State of Delaware, having an office at 111 Westchester Avenue, White Plains, New York 10604, do hereby declare as follows:

BACKGROUND

- A. A Declaration dated April 18, 2006 was recorded in the New York County Office of the Register of The City of New York ("Register's Office") on June 14, 2006 in CRFN 2006000336080 ("Declaration") establishing a plan for condominium ownership of premises known as and having a street address at Two East 55th Street, New York, New York pursuant to Article 9-B of the Real Property of the State of New York.
- B. Club Sponsor, Suite Sponsor and Commercial Unit Owner desire to amend the Declaration as set forth below.

NOW THEREFORE, the Declaration is hereby amended as follows:

- 1. Suite Units 1035 and 1036 located on the 10th floor of the Building and Suite Units 1135 and 1136 located on the 11th floor of the Building are reclassified as Club Units.
- 2. Article 3 of the Declaration entitled "The Property" is hereby amended to change the number of Suite Units in the Building from "twenty-four (24) Suite Units" to "twenty (20) Suite Units" and the number of Club Units in the Building from "twenty-two (22) Club Units" to "twenty-six (26) Club Units."
- 3. The "Cost Allocation Schedule" annexed to the By-Laws as Exhibit "B" is hereby amended by changing the key counts of the Units as follows:

Hotel Unit: 243 keys; Suite Units: 28 keys; and Club Units: 42 keys
- 4. This First Amendment to the Declaration was effectuated by Club Sponsor, Suite Sponsor and Commercial Unit Owner in accordance with and pursuant to Article 19 of the Declaration.

5. All capitalized terms used herein which are not separately defined herein shall have the meanings given to those terms in the Declaration or the By-Laws of the Condominium.
6. Except as amended herein, the Declaration and exhibits thereto, shall remain in full force and effect.

* * * * *

IN WITNESS WHEREOF, the parties have executed this First Amendment to the Declaration as of the day and year first above written.

CLUB SPONSOR:

ST. REGIS RESIDENCE CLUB, NEW YORK INC.

By: _____

Name:

Title:

SUITE SPONSOR:

FIFTH AVENUE HOTEL SUITES LLC

By: _____

Name:

Title:

COMMERCIAL UNIT OWNER:

By: _____

Name:

Title:

STATE OF FLORIDA

COUNTY OF ORANGE

} SS.:

On the ____ day of _____ in the year ____, before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument, and that such individual made such appearance before the undersigned in the State of Florida, County of Orange.

Notary Public

STATE OF _____

COUNTY OF _____

} SS.:

On the ____ day of _____ in the year ____, before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument, and that such individual made such appearance before the undersigned in the State of Florida, County of Orange.

Notary Public

STATE OF _____

COUNTY OF _____

} SS.:

On the ____ day of _____ in the year ____, before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument, and that such individual made such appearance before the undersigned in the State of Florida, County of Orange.

Notary Public

EXHIBIT "H"

FIRST AMENDMENT TO THE CLUB DECLARATION

FIRST AMENDMENT

TO

DECLARATION AND PLAN OF CLUB OWNERSHIP

FOR

FIFTH AND FIFTY-FIFTH RESIDENCE CLUB

TWO EAST 55th STREET
NEW YORK, NEW YORK 10022

Dated as of: _____, 2007

The land affected by the within instrument lies in
Section 5, Block 1290, Lots 1203 to 1224, 1232, 1233, 1244 and 1245
on the Tax Map of the Borough of Manhattan,
County of New York, City of New York

Record and Return to:

Allan Starr, Esq.
Starr Associates LLP
245 Fifth Avenue
Suite 1102
New York, New York 10016
(212) 620-2686

FIRST AMENDMENT

TO

DECLARATION AND PLAN OF CLUB OWNERSHIP

FOR

FIFTH AND FIFTY-FIFTH RESIDENCE CLUB

St. Regis Residence Club, New York Inc. ("Sponsor"), a corporation organized and existing under the laws of the State of Florida, having an office c/o Starwood Vacation Ownership, Inc., 884 Vistana Centre Drive, Orlando, Florida 32821 does hereby declare as follows:

B A C K G R O U N D :

- A. A Declaration and Plan of Club Ownership dated June 21, 2006 was recorded in the New York County Office of the Register of The City of New York ("Register's Office") on July 13, 2006 in CRFN: 2006000399615 ("Club Declaration") for the Fifth and Fifty-Fifth Residence Club, having a street address at Two East 55th Street, New York, New York;
- B. Sponsor desires to amend the Club Declaration as set forth below.

NOW THEREFORE, the Club Declaration is hereby amended as follows:

- 1. Sponsor hereby submits Club Units 1035, 1036, 1135 and 1136 located on Floors 10 and 11 of the Building to the provisions of the Club Declaration. Annexed hereto is a revised Exhibit "B" to the Club Declaration entitled "Schedule of Club Units" which lists the four (4) new Club Units together with the twenty-two (22) existing Club Units previously submitted to the Club Declaration. This new Exhibit "B" supersedes and replaces any prior Exhibit "B" annexed to the Club Declaration.
- 2. This First Amendment to the Club Declaration was effectuated by Sponsor in accordance with and pursuant to Article 17.2(c) of the Club Declaration.
- 3. All capitalized terms used herein which are not separately defined herein shall have the meanings given to those terms in the Club Declaration or the Club By-Laws of the Fifth and Fifty-Fifth Residence Club.

IN WITNESS WHEREOF, Sponsor has executed this First Amendment to the Club Declaration as of the day and year first above written.

ST. REGIS RESIDENCE CLUB, NEW YORK INC.

By: _____
Name: Sergio D. Rivera
Title: President

STATE OF FLORIDA }
COUNTY OF ORANGE } SS.:

On the ____ day of _____ in the year ____, before me, the undersigned, personally appeared Sergio D. Rivera, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument, and that such individual made such appearance before the undersigned in the State of Florida, County of Orange.

Notary Public